Clearances:

L/PM – Schildge info PM/DTCL – Maloney

NSC – Nillson ok H – Cooper ok

PM/CPA - Greer ok PM/DTC–RSKovac

T – Tucker - info

Dear Madam Speaker:

Pursuant to Sections 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles or defense services in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services to Switzerland for the manufacture, assembly, repair, overhaul and logistical support for the MK44 Chain Gun used in an Armored Infantry Vehicle in Switzerland.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 040-09

The Honorable

Nancy Pelosi,

Speaker of the House of Representatives.

DEPARTMENT OF STATE TRANSMITTAL NO. DDTC 040-09 CERTIFICATION OF PROPOSED ISSUANCE OF AN EXPORT LICENSE PURSUANT TO SECTIONS 36(c) OF THE ARMS EXPORT CONTROL ACT

- (1) <u>Foreign Country or International Organization to Which Export Will Be Made:</u> Switzerland
- (2) <u>Dollar Value of the Proposed Export</u>:

(a) Current license application: \$40,000,000

(b) Total contract: \$86,000,000

(3) <u>Description of the Transaction:</u>

- (a) The applicant proposes to amend an ongoing manufacturing license agreement with Rheinmetall Air Defence AG (formerly Oerlikon-Contraves AG), Switzerland, for the transfer of defense article, defense services and technical data for the manufacture, assembly, repair, overhaul and logistical support of the MK44 Chain Gun. The chain gun is in support of the CV9030-CH Armored Infantry Vehicle Program. This amendment changes the name of the foreign signatory from Oerlikon-Contraves AG to Rheinmetall Air Defence AG, and increases the value to cover additional exports of hardware and hardware to be manufactured abroad.
- (b) Total Scope: Same as 2(b) above. This Program was previously notified under DTC 041-01 (\$46,000,000).
- (c) Qualitative Military Edge (as applicable)
- (4) Offset Arrangement: There are no offsets associated with this application.
- (5) Authorized Sales Territories: Switzerland
- (6) Date Certification Delivered to Congress:

<u>NOTE</u>: This report, although unclassified, is derived from information submitted to the Department of State by the applicant which is subject to the confidentiality requirements of section 38(e) of the Arms Export Control Act. Disclosure of an applicant's prices a and customers could result in competitive injury.

Dear Madam Speaker:

Pursuant to Sections 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles or defense services in the amount of \$50,000,000 or more.

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 040-09

The Honorable

Nancy Pelosi,

Speaker of the House of Representatives.

Dear Mr. Chairman:

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 040-09

The Honorable

John F. Kerry, Chairman,
Committee on Foreign Relations,
United States Senate.

Dear Senator Lugar:

Pursuant to Sections 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles or defense services in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services to Switzerland for the manufacture, assembly, repair, overhaul and logistical support for the MK44 Chain Gun used in an Armored Infantry Vehicle in Switzerland.

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 040-09

The Honorable

Richard G. Lugar,
Committee on Foreign Relations,
United States Senate.

Dear Ms. Ros-Lehtinen:

Pursuant to Sections 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles or defense services in the amount of \$50,000,000 or more.

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 040-09

The Honorable
Ileana Ros-Lehtinen,
Committee on Foreign Affairs,
House of Representatives.

Dear Mr. Chairman:

Pursuant to Sections 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles or defense services in the amount of \$50,000,000 or more.

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 040-09

The Honorable Howard L. Berman, Chairman, Committee on Foreign Affairs,

House of Representatives.

Dear Mr. President:

Pursuant to Sections 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles or defense services in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services to Switzerland for the manufacture, assembly, repair, overhaul and logistical support for the MK44 Chain Gun used in an Armored Infantry Vehicle in Switzerland.

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More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 040-09

The Honorable

Joseph R. Biden, Jr.,

President of the Senate.